



# **GODREJ AGROVET LIMITED**

## **POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

Policy approved by	:	Board of Directors of Godrej Agrovvet Limited
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## **I. OBJECTIVES OF THE POLICY:**

This Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions (“**the Policy**” or “**this Policy**”) is framed by Godrej Agrovet Limited (“**the Company**” or “**GAVL**”), pursuant to the provisions of Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Listing Regulations**”) and in terms of Section 188 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (“**the Companies Act**” or “**the Act**”), including any modification(s) / amendment(s) / re-enactment(s) thereof.

The Board of Directors of GAVL has adopted this Policy to set forth the procedures by which transactions with Related Parties shall be reviewed for approval or ratification. The Policy is intended to ensure proper approval, disclosure and reporting of transactions between GAVL and its Related Parties and its Subsidiary Companies and their Related Parties, wherever applicable. Any Related Party Transaction may be entered into by the Company in conformity with the provisions of this Policy.

## **II. DEFINITIONS:**

- (a) “**Arm’s length transaction**” means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- (b) “**Associate Company**” in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Provided that for the purpose of this definition –

- “**significant influence**” means control of at least 20% (twenty per cent) of total voting power, or control of or participation in business decisions under an agreement;
  - “**joint venture**” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- (c) “**Audit Committee**” or “**Committee**” means Committee of Board of Directors of the Company as constituted from time to time under the provisions of Section 177 of the Companies Act, 2013 and as per Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (d) “**Board of Directors**” or “**Board**” means the Board of Directors of the Company, as constituted from time to time.
- (e) “**Control**” shall have the same meaning as defined in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (f) “**Key Managerial Personnel**” means Key Managerial Personnel in relation to a Company as defined in Section 2(51) of the Companies Act, 2013.

(g) “**Material Modification**” shall mean an amendment to the terms of a transaction / agreement / contract / commitment with / to a Related Party, an extension of tenure, waiver of rights and obligations, variation in any payment rights, security interest, novation of parties, addition of parties, the financial implication or effect of which will be an increase over the approved limit for a transaction, by:

- a. an amount of Rs.10 (Ten) Crore in a financial year or 20% (twenty per cent), whichever is higher, to the limit as approved by the Audit Committee; or
- b. an amount of Rs.100 (One Hundred) Crore in a financial year or 20% (twenty per cent), whichever is higher, to the limit as approved by the Shareholders;

as the case may be.

Notwithstanding the above, the following events shall be deemed to be material modifications:

- a) In case of a loan or deposit or any other means of funding, including securities or guarantees given, any deviation in the objects or purposes for which the loan or deposit was given or funding was made or received or securities or guarantees given;
- b) In case of any other transaction or agreement, any amendment which will have an effect of:
  - (i) renewing or extending or deferring the consummation of such transaction or agreement for / by a period exceeding 3 (three) years from the existing approved term / period, except for completion of any surviving obligations; or
  - (ii) ceasing the terms of a contract which were at arm’s length;
  - (iii) any novation of a contract or arrangement which was approved earlier to a third party;
  - (iv) the claims of the Company being subordinated or adversely affected on account of the amendment.

Provided further that any modification to the transactions / agreements entered into:

- a) for sale, purchase or supply of any goods or materials or availing or rendering of any services in the ordinary course of business and on arm’s length basis;
- b) between the Company and its wholly owned subsidiary;
- c) transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the Shareholders at the annual general meeting for approval,

shall be excluded from the applicability of the above definition.

- (h) **“Material Related Party Transaction”** means a transaction with a Related Party if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year exceed(s) Rs.1,000 Crore (Rupees One Thousand Crore Only) or 10% (ten per cent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

Notwithstanding the above, a transaction involving payments made to a Related Party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) 5% (five per cent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

- (i) **“Office or place of profit”** means any office or place:
- a. where such office or place is held by a Director, and the Director holding it receives from the Company anything by way of remuneration over and above the remuneration to which he is entitled as Director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;
  - b. where such office or place is held by an individual other than a Director or by any firm, private company, limited liability partnership or other body corporate, if the individual, firm, private company or body corporate holding it receives from the Company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise.
- (j) **“Ordinary course of business”** means the usual transactions, customs and practices undertaken by the Company to or in the course of or incidental to or in furtherance of or to facilitate the business operations, activities and objectives of the Company and its subsidiaries and includes:
- a. all such activities or transactions which the Company can undertake as per the provisions of its Memorandum and Articles of Association;
  - b. all such activities or transactions carried on a frequent or regular basis or are usual in nature or are as per the customs or industry practice;
  - c. all such activities or transactions, the terms of which are similar to those which would be otherwise applicable to transactions with unrelated parties

Provided further that the Board or the Audit Committee may lay down the principles for determining ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.

- (k) **“Related Party”** means Party as defined in Regulation 2(1)(zb) of the Listing Regulations.
- (l) **“Related Party Transaction”** means transaction as defined in Regulation 2(1)(zc) of the Listing Regulations.
- (m) **“Relative”** means relative as defined under Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014.

Any other terms and expressions used but not defined herein, shall have the same meaning as defined in the Companies Act, the Listing Regulations, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and / or the Rules and Regulations framed thereunder.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the definitions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the definitions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

### **III. REVIEW AND APPROVAL BY THE AUDIT COMMITTEE:**

1. All Related Party Transactions and subsequent Material Modifications shall be subject to prior approval of the Audit Committee of the Company whether at a meeting or by a resolution by circulation or by any other manner as provided by the Companies Act or the Rules and Regulations framed thereunder.

Provided that only those members of the Audit Committee, who are Independent Directors, shall approve the Related Party Transactions.

2. Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions, namely:
  - a. The Audit Committee shall lay down the criteria for granting the omnibus approval whether by means of a resolution or as a part of this Policy and such approval shall be applicable in respect of transactions which are repetitive in nature;
  - b. Such criteria for granting omnibus approvals may include but shall not be limited to annual business plan of the Company, forecasts or best estimates for the period, past recent trends of transactions entered into, etc.
  - c. The Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company.
3. The Audit Committee of the Board shall review and, if appropriate, approve Related Party Transactions. Accordingly, at a meeting of the Audit Committee in every calendar year, management shall present to the Committee, the following information with respect to each of the Related Party Transactions expected to be entered into during the forthcoming financial year:
  - a) the name of the Related Party;
  - b) a general description or nature of the transactions, including material terms and conditions;
  - c) the Related Party's interest in the transactions;

- d) the estimated rupee value of the Related Party Transactions, including maximum amount of transactions that shall be entered into;
  - e) in case of loan(s), the aggregate amount of loan(s) and the rate of interest payable on such loans;
  - f) in case of guarantee(s) issued, the aggregate amount of guarantee(s) and commission to be payable on such guarantee(s);
  - g) an assessment of whether the transactions are on terms that are comparable to the terms available to unrelated third parties or to employees generally (in case of appointment to any office or place of profit in the company, its subsidiary company or associate company); and
  - h) any other material information regarding the transaction(s) or the Related Party's interest in the Related Party Transactions.
4. In determining whether to approve a Related Party Transaction, the Audit Committee will consider the following factors, amongst others, to the extent relevant to the Related Party Transaction:
- a) Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
  - b) Whether there are any compelling business reasons / rationale for the Company to enter into the Related Party Transaction and the possibility of alternative transactions, if any;
  - c) Whether the Related Party Transaction would affect the independence of an Independent Director;
  - d) Whether the Related Party Transaction involves any potential reputational risk issues that may arise as a result of or in connection with the Related Party Transaction;
  - e) Whether the Company was notified about the Related Party Transaction before its commencement and if not, why prior approval was not sought and whether subsequent ratification is allowed and would be detrimental to the interests of the Company; and
  - f) Whether the Related Party Transaction would present an improper conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the Director, Key Managerial Personnel or other Related Party, the direct or indirect nature of the Director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board or Audit Committee deems relevant.
5. After reviewing such information and being satisfied that there is a need for such approval, the members of the Audit Committee (without the participation of the Committee member(s) interested in the transaction, if any) shall approve or disapprove such transactions.

6. Omnibus approval for transactions shall be given only if it is determined by the Committee that such transactions are:
  - a. repetitive in nature and that such approval is in (or not inconsistent with) the best interests of the Company and its Shareholders;
  - b. to be entered into by the Company on terms that are comparable to those that would be obtained in arm's length transactions with unrelated third parties; and
  - c. in the ordinary course of business.

The Audit Committee, while granting any such omnibus approvals, shall specify the following:

- (i) Name of the Related Party;
- (ii) Nature of transaction;
- (iii) Period of transaction;
- (iv) Maximum amount of transaction that can be entered into, and
- (v) Indicative base price / current contracted price and the formula for variation in the price, if any.

The Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the Company, pursuant to each of the omnibus approvals given.

Such omnibus approvals shall be valid for a period not exceeding 1 (one) financial year and shall require fresh approvals after the expiry of such financial year.

Omnibus approval shall not be made for the transactions in respect of selling or disposing off the undertaking of the Company.

7. The Company shall provide the following information, for review of the Audit Committee for approval of a proposed Related Party Transaction, other than the transactions for omnibus approval:
  - a) Type, material terms and particulars of the proposed transaction;
  - b) Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);
  - c) Tenure of the proposed transaction (particular tenure shall be specified);
  - d) Value of the proposed transaction;
  - e) Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a Related Party Transaction involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
  - f) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:



- i. details of the source of funds in connection with the proposed transaction;
    - ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:
      - nature of indebtedness;
      - cost of funds; and
      - tenure;
    - iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
    - iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.
  - g) If the transaction relates to guarantee(s) to be issued, the aggregate amount of guarantee(s), purpose and commission to be charged on such guarantee(s);
  - h) Justification as to why the transaction is in the interest of the Company;
  - i) A copy of the valuation or other external party report, if any such report has been relied upon;
  - j) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed transaction on a voluntary basis;
  - k) Any other information that may be relevant.
8. No member of the Audit Committee shall participate in the review, consideration or approval of any Related Party Transaction with respect to which such member or any of his or her Relatives is a Related Party.
  9. The Audit Committee shall also review the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis.
  10. If any material information with respect to such transactions shall change subsequent to the Committee's review of such transactions, management shall provide the Committee with updated information at a subsequent meeting and will get the changes approved afresh by the Committee.
  11. If any additional Related Party Transactions are proposed to be entered into subsequently during a financial year, the management shall present such transactions to the Committee for approval before entering into such transaction (which can be taken by calling a meeting or by resolution passed through circulation, if permitted).
  12. All the Directors are required to declare and disclose their concerns or interests in any company(ies) or body(ies) corporate or firm(s) at the first Board meeting in every financial year and subsequently whenever there is any change therein.
  13. A Related Party Transaction to which a subsidiary of the Company is a party but the

Company is not a party, shall require prior approval of the Audit Committee of the Company if the value of such transaction, whether entered into individually or taken together with previous transactions during a financial year, with effect from April 1, 2023, exceeds 10% (ten per cent) of the annual standalone turnover, as per the last audited financial statements of the subsidiary.

Provided that the transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the annual general meeting for approval shall be excluded from the requirement under this Clause.

Further, for related party transactions of unlisted subsidiaries of a listed subsidiary as referred to above, the prior approval of the Audit Committee of the listed subsidiary shall suffice.

14. The Audit Committee may review the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis.
15. If the Audit Committee determines that a Related Party Transaction is –
  - a) a Material Related Party Transaction; or
  - b) not in the ordinary course of business; or
  - c) not on arm's length basis

then the Audit Committee shall place the matter before the Board for obtaining its approval, unless exempted.

16. The Audit Committee can grant approval for transactions that are entered into by the Company in its ordinary course of business and which are at an arm's length.

#### **IV. APPROVAL OF THE BOARD OF DIRECTORS:**

If the Audit Committee reviews a proposed Related Party Transaction and draws the conclusion that the transaction is not being done in the ordinary course of business or is not at arm's length, the Audit Committee shall refer the same to the Board and such transaction shall be approved only with the consent of the Board of Directors at their Meeting.

For transactions covered under Section 188 of the Companies Act as stated below, approval of the Board will be required if the transactions are not at arm's length or not in the ordinary course of business:

- a. sale, purchase or supply of any goods or materials;
- b. selling or otherwise disposing of, or buying, property of any kind;
- c. leasing of property of any kind;
- d. availing or rendering of any services;

- e. appointment of any agent for purchase or sale of goods, materials, services or property;
- f. such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
- g. remuneration towards underwriting the subscription of any securities or derivatives thereof.

The Audit Committee shall report all Material Related Party Transactions and subsequent Material Modifications to the Board.

Where approval of Board is required for any Related Party Transaction or if the Board in any case elects to reviews any such matter or it is mandatory under any law for the Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification(s) as may be necessary or appropriate under the circumstances.

Any member of the Board who has any interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

#### **V. APPROVAL OF THE SHAREHOLDERS:**

- 1) All Related Party Transactions which are material in nature and subsequent Material Modifications as defined by the Audit Committee shall require prior approval of the Shareholders through a resolution.
- 2) Materiality of a transaction will be based on the definition specified hereinbelow in this Policy.
- 3) No Related Party shall vote to approve such material Related Party Transactions, whether the entity is a related party to the particular transaction or not.
- 4) All entities falling under the definition of Related Parties shall not vote to approve the material Related Party Transactions irrespective of whether the entity is a party to the particular transaction or not.
- 5) However, the approval of the Shareholders shall not be required if the transactions being entered into are in the ordinary course of business or the Related Party Transactions are on arm's length basis.
- 6) Prior approval of the Shareholders of the Company shall not be required for Related Party Transaction to which a listed subsidiary of the Company is a party but the Company is not a party, if Regulation 23 and Regulation 15(2) of the Listing Regulations are applicable to such listed subsidiary.
- 7) For Related Party Transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the Shareholders of the listed subsidiary shall suffice.

- 8) The requirement of approval shall not apply in respect of a resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved, as per the second proviso to Regulation 23(4) of the Listing Regulations.
- 9) The requirement of approval shall also not apply in the following cases:
  - a. Transactions entered into between a holding company and its wholly-owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval;
  - b. Transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- 10) The notice being sent to the Shareholders seeking approval for any proposed Related Party Transaction shall, in addition to the requirements under the Companies Act and the Listing Regulations, include the following information as a part of the explanatory statement:
  - a) A summary of the information provided by the Company to the Audit Committee for approval of the proposed transaction;
  - b) Justification for why the proposed transaction is in the interest of the Company;
  - c) Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details as provided to the Audit Committee for approval of the transaction;
  - d) A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction shall be made available through the registered e-mail address of the Shareholders;
  - e) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed transaction on a voluntary basis;
  - f) Any other information that may be relevant.

## **VI. DETERMINATION OF MATERIALITY OF RELATED PARTY TRANSACTIONS:**

While seeking the approval for any Related Party Transaction which will be placed before the Shareholders of the Company for their approval, the following threshold limits have been fixed for determining the type of transaction, limits available under the relevant regulations or acts currently in force, single and cumulative transaction limits:

<b>Category of Transactions</b>	<b>Materiality Thresholds under the Companies Act, 2013</b> (for transactions not in ordinary course of business and not on an arm's length basis)	<b>Materiality Thresholds under the Listing Regulations</b>
Sale, purchase or supply of any goods or materials	Amounting to or exceeding 10% of the turnover of the Company*	Transaction with a related party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 Crore (Rupees One Thousand Crore) or 10% (ten per cent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.
Selling or otherwise disposing of, or buying, property of any kind (directly or through appointment of agents)	Amounting to or exceeding 10% of net worth of the Company*	
Leasing of property of any kind	Amounting to or exceeding 10% of turnover of the Company*	
Availing or rendering of any services directly or through appointment of agents	Amounting to or exceeding 10% of the turnover of the Company*	
Appointment to any office or place of profit in the company, its subsidiary company or associate company	Remuneration exceeding Rs.2.5 Lakh per month	
Remuneration for underwriting the subscription of any securities or derivatives thereof of the company	Exceeding 1% of the net worth	
Payment of Royalty and Brand usage to related parties	-	
Any other transaction with a Related Party	Exceeding 10% percent of the annual turnover of the Company	

\*Applies to transaction or transactions to be entered into either individually or taken together

with the previous transactions during a financial year

Explanation:

- (1) The turnover or net worth referred in the above shall be computed on the basis of the audited financial statement of the preceding financial year.
- (2) The threshold limits under the Companies Act mentioned above shall apply for transaction(s) to be entered into either individually or taken together with the previous transactions during a financial year.

**VII. DISCLOSURES BY THE COMPANY:**

- a) This Policy shall be uploaded on the website of the Company and a web-link thereto shall be provided in the Annual Report of the Company.
- b) Disclosures shall be made in the Company's Annual Report and to the Stock Exchanges as required under the Companies Act and the Listing Regulations.
- c) The Company shall submit with the stock exchanges, disclosures of Related Party Transactions that it has entered into, on a consolidated basis, (in the format that has been specified in the relevant accounting standards for annual results) on the date of publication of its standalone and consolidated financial results for the half year and it shall ensure that the same is published on its website in terms with Regulation 23(9) of the Listing Regulations.
- d) All material transactions with Related Parties shall be disclosed quarterly along with the compliance report on corporate governance in terms with Regulation 27(2)(b) of the Listing Regulations.
- e) Related Party Disclosures of the Annual Report shall include Transaction with any person or entity belonging to the Promoter / Promoter Group which hold(s) 10% or more shareholding, shall be disclosed in the, in the format prescribed in relevant AS in terms of the Schedule V Part A of the Listing Regulations.
- f) Related Party Disclosures shall be submitted in such format(s) or mode(s) as may be specified under Listing Regulations / such other applicable law, as may be required from time to time.

**VIII. DISCLOSURE OBLIGATIONS OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

Every Director shall, at the beginning of the Financial Year or whenever any change occurs, provide information by way of written notice to the Company, regarding his concern or interest in the entity with specific concern to parties which may be considered as a Related Party with respect to the Company and shall also provide the list of relatives which are

regarded as a Related Party as per this Policy. Directors are also required to provide information regarding their engagement with other entity during the financial year which may be regarded as a Related Party according to this Policy.

Accordingly, the Company will determine whether a transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee or the Board has adequate time to obtain and review information about the proposed transaction.

#### **IX. APPROVAL FOR UNFORESEEN RELATED PARTY TRANSACTIONS:**

Pursuant to Regulation 23(3) of the Listing Regulations, where the need for related party transaction cannot be foreseen and the details required to be disclosed are not available, the Audit Committee may grant omnibus approval for such transactions, subject to their value not exceeding Rs.1 Crore (Rupees One Crore Only).

#### **X. TRANSACTIONS WHICH DO NOT REQUIRE APPROVAL:**

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee:

- a. Any transaction involving the providing of compensation to a Director or Key Managerial Personnel in connection with his duties to the Company, including but not limited to, the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- b. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.
- c. The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any modification(s) / amendment(s) / re-enactment(s) thereto).
- d. The following corporate actions by the Company which are uniformly applicable / offered to all the Shareholders in proportion to their shareholding:
  - i. payment of dividend;
  - ii. subdivision or consolidation of securities;
  - iii. issuance of securities by way of a rights issue or a bonus issue; and
  - iv. buy-back of securities.

**XI. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY:**

If a Related Party Transaction is entered into by the Company without being approved under this Policy, the same shall be reviewed by the Committee.

The Committee shall evaluate the transaction and may decide such action as it may consider appropriate including ratification, revision or termination of the Related Party Transaction, to the extent permissible under the law.

In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

**XII. POLICY REVIEW:**

The Audit Committee may, for the purpose of aligning this Policy with the regulatory changes, amend any provision(s) or substitute any of the provision(s) with new provision(s) or replace the Policy entirely with a new Policy.

The Board may also, based on the recommendations from the Audit Committee, make any amendments to the Policy from time to time. The Policy shall be reviewed by the Board at least once in every 3 (three) years and updated as may be required.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc. A note in relation to such changes shall be placed in subsequent meeting of the Board and the Audit Committee

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